

Employee Thrift Advisory Council

May 1, 2020

As chairman of the Employee Thrift Advisory Council (ETAC) and on behalf of the organizations listed below, I am writing to express our opposition to the Taxpayers and Savers Protection Act (H.R. 6614) introduced by Rep. Michael Waltz on April 23. This partisan approach to interfering with the decision-making process of the Federal Retirement Thrift Investment Board (FRTIB) is the wrong path and places federal employees at a distinct disadvantage compared to private-sector workers.

We believe that an expanded I Fund should remain part of the Thrift Savings Plan (TSP) investment strategy and that removing the option of investing in emerging markets from Federal employees' retirement portfolios unfairly disadvantages federal workers. Contrary to the narrative that this fund will force federal employees to place their hard-earned wages in foreign coffers, the I Fund is one of many *optional* funds offered for TSP participants. Should they choose, employees may decide that this investment strategy is not for them and instead direct their retirement savings to other funds in the plan.

The I Fund has consistently outpaced developed markets over the past 15 years. Limiting free-market investment choices for federal workers while doing nothing to change the investment laws of the private sector would wrongfully and unnecessarily disadvantage federal employees and veterans of the armed services. Modifying the TSP portfolio is an improper route to limiting investments in Chinese companies. The Office of Foreign Assets Control (OFAC) is the federal office responsible for deciding what international securities are available for American investors. If you believe U.S. government policy should limit investments in China, we encourage you to utilize this existing channel. In so doing, you would avoid singling out the retirement savings of public servants and veterans and putting the TSP at a competitive disadvantage.

As an organization that advocates for the retirement security of more than 5 million federal employees and members of the uniformed services, ETAC opposes policies that could significantly reduce their retirement savings potential. Offering competitive benefits for federal employees is one way that the federal government recruits and retains a quality workforce to better serve the American people. If we allow those benefits to erode, we risk losing the talent needed to efficiently and effectively operate our government.

I hope you will reconsider the impact of H.R. 6614, legislation that will unfairly disadvantage millions of hardworking Americans now and far into the future. Please find my contact details below if you have any questions or comments. Thank you for your time and consideration on this matter.

Sincerely,
Clifford D. Dailing
Chairman, Employee Thrift Advisory Council
Secretary-Treasurer, National Rural Letter Carriers' Association

ETAC Member Organizations

American Federation of Government Employees, National Federation of Federal Employees, National Treasury Employees Union, National Association of Government Employees, American Postal Workers Union, National Association of Letter Carriers, National Rural Letter Carriers' Association, United Postmasters and Managers of America, National Association of Postal Supervisors, Federally Employed Women, Inc., National Active and Retired Federal Employees Association, Federal Managers Association, Senior Executives Association.